



NEW ZEALAND COUNCIL OF CHRISTIAN SOCIAL SERVICES

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BUDGET 2005 – A BRIEF OVERVIEW

Dear NZCCSS Member

Below is a brief snapshot of Budget initiatives announced this afternoon.

For brevity, we've outlined only some of the key initiatives – full details on the Budget can be found at www.beehive.govt.nz/budget2005

We'll provide a comprehensive critique and analysis of the initiatives in our forthcoming General Social Services and Services for Older People newsletters.

Warm regards – *Jeremy Irvine, Executive Officer*

Children and families

- Childcare and employer support initiatives to enhance the work choices available to parents. The widened eligibility will see around 70 percent of all families with children eligible for extra assistance, including 96 percent of all sole parents. **Extra \$55 million over the next four years.**
- Package of early intervention proposals, including:
 - Family Start expansion to between four and six sites (**\$18.8 million over the next four years**);
 - Early Childhood Education Pilot to be launched in December (**\$8.4 million over four years**);
 - Parenting Support Pilot – pilot and evaluate a universal parenting support service for all parents of young children that will build on the core Well Child service (**\$2.1 million over the next four years**);
 - Improving services for children who witness family violence (**\$12 million over the next four years**);
 - Pilot scheme based in Early Childhood Education Centres which aims to improve support for parents of young children (**\$4.6 million over four years**); and
 - Parenting education/information programmes led by the Ministry of Justice (**\$6.2 million over four years**).
- Nationwide programme to help parents prevent stress and trauma for children facing parental conflict and separation. **\$6.2 million over the next four years.**
- Expansion of the new service for Sickness and Invalid's Benefit recipients that has already helped thousands of people move into work. **\$27.7 million over the next four years.**
- Funding for non-government organisation workers to under-take part-time study towards a degree qualification (or equivalent) in social work. **\$5.4 million over the next four years.**

NZCCSS represents the social services of the Anglican, Baptist, Catholic and Presbyterian Churches as well as the Methodist Church and the Salvation Army. Collectively, our members have around 550 social service delivery sites across the country.

Housing and poverty

- Provision of 1300 more Housing New Zealand Corporation homes for those in need. **\$130.6 million (capital) and \$3.7 million (operating) over the next four years.**
- 'Securing Your Future' package that aims to help people to develop a long term savings habit and toward the purchase of their first home. **\$588 million over the next four years** For full details of this initiative - www.securingyourfuture.govt.nz
 - KiwiSaver is a voluntary work based savings scheme designed to utilise the existing PAYE (pay as you earn) tax system. KiwiSaver includes a first home deposit subsidy;
 - a substantial expansion of the Mortgage Insurance Scheme and;
 - education programmes to improve financial literacy and for first home buyers
- New funding to provide intensive case-management, wage subsidies and an Urban Employment Service for clients who have been unemployed for more than three years. **\$21 million over the next four years.**
- Rates rebate threshold changed so that up to 300,000 low income and older New Zealanders will be eligible to have up to \$500 deducted from their annual rates bill. **\$50 million a year.**

Older people

- Additional funding for aged care providers [which will essentially make up the shortfall resulting from devolution to DHBs]. **\$32 million in 2005-06.**
- Additional funding to cover inflation and demand growth for residential aged care, some of which may be applied to home care services. **\$38.4 million in 2005-06.**
- Improvements in quality and working conditions and cover increases in the prices of services for home care services for older people. **\$12.4 million in 2005-06.**
- Funding for DHBs to address impact of Holidays Act on non-DHB providers. **\$11.5 million plus GST.**
- Development of a code of practice for home equity release schemes, in order to provide a level of protection for older people's financial interests. **\$258,000 over two years**
- Improvement and expansion of services for elder abuse and neglect prevention and increasing national and regional co-ordination. **\$3 million over the next four years.**
- Extension of eligibility to the higher single rate of NZ Super to all married superannuitants with a partner in long-term residential care. The funding will also extend eligibility of the Living Alone Payment to married superannuitants so long as they meet other criteria. **\$6 million per annum from 1 July 2006.**